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August 27, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

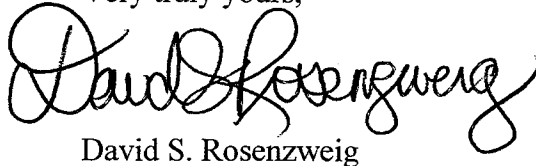
Re: Colonial Gas Company d/b/a KeySpan Energy Delivery New England and
NSTAR Gas Company, D.T.E. 02-44

Dear Ms. Cottrell:

I have enclosed the responses of NSTAR Gas Company and Colonial Gas Company d/b/a KeySpan Energy Delivery New England to Record Requests DTE-RR-2-1 through DTE-RR-2-3.

I have also enclosed a Certificate of Service. Thank you for your attention to this matter.

Very truly yours,



David S. Rosenzweig

Enclosures

cc: Elizabeth Cellucci, Hearing Officer
Paul Afonso, General Counsel
Kevin Brannelly, Rates and Revenues Division
Paul Osborne, Rates and Revenues Division
George Yiankos, Gas Division
Xuan Yu, Rates and Revenues Division
Becky Hanson, Legal Division
Patricia Crowe, KeySpan Energy Delivery New England
Christopher Aronson, KeySpan Energy Delivery New England
Timothy Cronin, NSTAR Electric & Gas Corporation

COMMONWEALTH OF MASSACHUSETTS

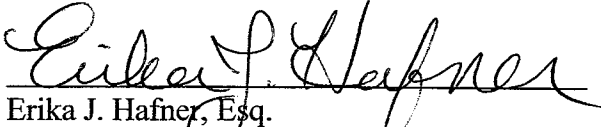
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Joint Petition of NSTAR Gas Company and Colonial
Gas Company, d/b/a KeySpan Energy Delivery
New England, for Approval of a Contract for the
Purchase of Facilities in the Town of Plymouth

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D.T.E. 02-44

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the Department of Telecommunications and Energy, and counsel for all parties, by hand or first class mail, in accordance with the requirements of 220 C.M.R. 1.05 (the Department's rules of Practice and Procedure).


Erika J. Hafner, Esq.
Keegan, Werlin & Pabian, LLP
21 Custom House Street
Boston, MA 02110
(617) 951-1400

Dated: August 27, 2002

Witness: Stephen Chiara (NSTAR Gas)

Record Request DTE-RR-2-1

Please refer to DTE-RR-1. The Companies' response states that NSTAR Gas does not plan to seek recovery of billing rate differentials in future CGA filings. Please confirm that this means that NSTAR Gas will absorb any difference in the billing rates.

Response

As stated in its response to DTE-RR-1, NSTAR Gas will not file any reconciliation adjustments in its future CGA filings to reflect revenue losses resulting from the agreement between NSTAR Gas and Keyspan Energy Delivery New England for the short-term service to customers within the Buttermilk Bay area. Thus, NSTAR Gas confirms that it will absorb any cost difference in the billing rates between the two companies.

Witness: Stephen Chiara (NSTAR Gas)

Record Request DTE-RR-2-2

Please refer to DTE-RR-7. The Record Request refers to “customers using heat predominantly during off-peak periods.”

- a) How are these customers defined by the Companies?
- b) Please explain how these customers are identified in the attachments to DTE-RR-7.

Response

With regard to “customers using heat predominantly during off-peak periods,” NSTAR Gas states as follows:

- a) The customers referred to by NSTAR Gas as “customers using heat predominantly during off-peak periods” are those that do not follow the normal usage characteristics of a domestic heating customer. The average heating customer in NSTAR Gas’s service territory uses approximately 1,000 therms annually of which about 80% is used during the six winter months. The few Plymouth Customers that may experience a negative bill impact by the transfer to NSTAR Gas’s rates in the Rate R-3 section of Attachment DTE-RR-7 are customers whose ratio of winter usage to summer usage is lower relative to the ratio for the average NSTAR Gas domestic heating customer. This may result in their annual bills being slightly higher under NSTAR Gas’s rate because of the slightly higher off-peak rate for NSTAR Gas. The statement “using heat during off-peak periods” was an attempt by NSTAR Gas to define the customers who have abnormal consumption characteristics in that they have relatively low gas consumption during the winter heating season in comparison to the typical customer.
- b) The particular customers in question are not specifically identified in the attachments to DTE-RR-7. Indeed, such customers are scattered within the column of the attachment showing overall bill impacts and are the customers that may typically have a small negative bill impact. Each of these customers’ usage would have to be analyzed specifically to identify which of them are large users of gas during the off-peak period.

KeySpan Energy Delivery New England and
NSTAR Gas Company
Department of Telecommunications and Energy
D.T.E. 02-44
Record Request: **DTE-RR-2-3**
August 27, 2002

Witness: Stephen Chiara (NSTAR Gas)

Record Request DTE-RR-2-3

Please refer to the attachments to DTE-RR-7. Please explain what the heading "SCGA" stands for.

Response

The heading shown in attachment DTE-RR-7 means Seasonal Cost of Gas Adjustment ("SCGA"). This is a designation used internally in the past by the Company to identify the Company's Peak and Off-Peak Cost of Gas Adjustment Factor ("GAF") decimals filed with the Department.